

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2011

The actual results of Compugates Holdings Berhad for the period ended 30 June 2011 are as follows:-

NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 30 JUNE 2011	CORRESPONDING QUARTER ENDED 30 JUNE 2010	CURRENT YEAR TO DATE 30 JUNE 2011	CORRESPONDING PERIOD ENDED 30 JUNE 2010
	RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)
REVENUE	155,455	166,383	306,183	324,331
COST OF SALES	<u>(154,021)</u>	<u>(165,411)</u>	<u>(302,975)</u>	<u>(322,759)</u>
GROSS PROFIT	1,434	972	3,208	1,572
OTHER INCOME	3,379	3,555	6,964	6,475
SALES AND MARKETING EXPENSES	(509)	(34)	(823)	(268)
ADMINISTRATIVE EXPENSES	(4,523)	(4,476)	(8,173)	(11,140)
OTHER EXPENSES	(703)	(465)	(1,120)	(865)
FINANCE COSTS	(107)	(10)	(199)	(20)
LOSS BEFORE TAXATION	<u>(1,029)</u>	<u>(458)</u>	<u>(143)</u>	<u>(4,246)</u>
INCOME TAX EXPENSE	20 (583)	(345)	(1,166)	(599)
LOSS AFTER TAXATION	<u>(1,612)</u>	<u>(803)</u>	<u>(1,309)</u>	<u>(4,845)</u>
OTHER COMPREHENSIVE (LOSS)/INCOME				
Changes in fair value reserve of available-for-sale investment:				
- Changes in fair value	(1,728)	(2,227)	(2,701)	(1,591)
- Transfer to profit or loss on disposal	-	-	235	59
Foreign currency translation	16	(111)	(36)	(243)
Deferred tax on revaluation surplus	-	-	-	(105)
Total other comprehensive expenses, net of tax	<u>(1,712)</u>	<u>(2,338)</u>	<u>(2,502)</u>	<u>(1,880)</u>
TOTAL COMPREHENSIVE LOSS	<u>(3,324)</u>	<u>(3,141)</u>	<u>(3,811)</u>	<u>(6,725)</u>
(LOSS)/PROFIT ATTRIBUTABLE TO:				
Owners of the Parent	(1,195)	(714)	(762)	(4,866)
Non-controlling Interests	<u>(417)</u>	<u>(89)</u>	<u>(547)</u>	<u>21</u>
	<u>(1,612)</u>	<u>(803)</u>	<u>(1,309)</u>	<u>(4,845)</u>
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Owners of the Parent	(2,917)	(2,984)	(3,257)	(6,472)
Non-controlling Interests	<u>(407)</u>	<u>(157)</u>	<u>(554)</u>	<u>(253)</u>
	<u>(3,324)</u>	<u>(3,141)</u>	<u>(3,811)</u>	<u>(6,725)</u>
LOSS PER SHARE (SEN)				
Basic on ordinary shares of: - RM0.10 each	29 (0.06)	(0.03)	(0.04)	(0.23)
Diluted	29 N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	(Unaudited)	(Audited)
	AS AT END OF CURRENT YEAR QUARTER ENDED 30 JUNE 2011 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2010 RM'000
Note		
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	16,656	16,722
Available-for-sale investments	8,494	9,834
Plantation expenditure	1,117	1,130
Investment property	5,748	5,780
Deferred tax asset	6	6
Goodwill on consolidation	35,991	35,991
	<u>68,012</u>	<u>69,463</u>
CURRENT ASSETS		
Inventories	16,299	19,153
Receivables	23,262	22,045
Tax refundable	1,278	1,278
Cash and cash equivalents	18,459	18,843
	<u>59,298</u>	<u>61,319</u>
TOTAL ASSETS	<u>127,310</u>	<u>130,782</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	213,429	213,429
Fair value reserve	(2,466)	-
Revaluation reserve	883	883
Exchange fluctuation reserve	(230)	(201)
Premium on acquisition of non-controlling interests	(500)	-
Accumulated losses	(123,079)	(122,289)
Equity attributable to owners of the Parent	<u>88,037</u>	<u>91,822</u>
Non-controlling interests	786	1,312
TOTAL EQUITY	<u>88,823</u>	<u>93,134</u>
NON-CURRENT AND DEFERRED LIABILITIES		
Deferred taxation	603	609
CURRENT LIABILITIES		
Payables	23,635	24,065
Amount owing to shareholders of subsidiaries	3,444	5,884
Short-term borrowings	9,644	6,348
Provision for taxation	1,161	742
	<u>37,884</u>	<u>37,039</u>
TOTAL LIABILITIES	<u>38,487</u>	<u>37,648</u>
TOTAL EQUITY AND LIABILITIES	<u>127,310</u>	<u>130,782</u>
Net Assets per share (RM)		
On ordinary shares of:		
- RM0.10 each	<u>0.04</u>	<u>0.04</u>

The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2011

Note	← Attributable to Owners of the Company →						Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Fair Value Reserve RM'000	Non- distribution Revaluation Reserve RM'000	Exchange Fluctuation Reserve RM'000	Premium on Acquisition of Non-controlling Interests RM'000	Accumulated Losses RM'000			
Balance as at 1 January 2010, as restated	213,429	(460)	883	(199)	-	(110,377)	103,276	3,089	106,365
Issue of shares by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	12	12
Total comprehensive (loss)/income	-	(1,532)	(105)	31	-	(4,866)	(6,472)	(253)	(6,725)
Balance as at 30 June 2010	<u>213,429</u>	<u>(1,992)</u>	<u>778</u>	<u>(168)</u>	<u>-</u>	<u>(115,243)</u>	<u>96,804</u>	<u>2,848</u>	<u>99,652</u>
Balance as at 1 January 2011	213,429	-	883	(201)	-	(122,289)	91,822	1,312	93,134
Acquisition of non-controlling interest	-	-	-	-	-	(28)	(28)	28	-
Premium on acquisition of non-controlling interest	-	-	-	-	(500)	-	(500)	-	(500)
Total comprehensive (loss)/income	-	(2,466)	-	(29)	-	(762)	(3,257)	(554)	(3,811)
Balance as at 30 June 2011	<u>213,429</u>	<u>(2,466)</u>	<u>883</u>	<u>(230)</u>	<u>(500)</u>	<u>(123,079)</u>	<u>88,037</u>	<u>786</u>	<u>88,823</u>

The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SECOND QUARTER ENDED 30 JUNE 2011

	<u>Note</u>	CURRENT YEAR TO DATE 30 JUNE 2011 RM'000 (Unaudited)	CORRESPONDING PERIOD ENDED 30 JUNE 2010 RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(143)	(4,246)
Adjustments for:-			
Non-cash items		167	685
Interest expense		190	11
Interest income		(197)	(186)
Operating profit/(loss) before working capital changes		17	(3,736)
Decrease/(Increase) in inventories		3,237	(3,396)
Increase in receivables		(1,079)	(1,332)
(Decrease)/Increase in payables		(431)	4,466
Cash generated from/(used in) operations		1,744	(3,998)
Interest paid		(190)	(11)
Income tax paid		(753)	(705)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		801	(4,714)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of non-controlling interest		(500)	-
Interest received		197	186
Purchase of property and equipment		(371)	(460)
Purchase of investment property		-	(552)
Purchase of available-for-sale investments		(1,764)	(881)
Reversal of plantation expenditure		13	-
Proceeds from disposal of available-for-sale investments		402	411
Proceeds from disposal of property and equipment		18	208
NET CASH USED IN INVESTING ACTIVITIES		(2,005)	(1,088)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares to non- controlling interest		-	12
Drawdown of bankers' acceptances		3,296	713
Repayment to shareholders of subsidiaries		(2,440)	(35)
Repayment to directors		-	(170)
Payment of hire purchase obligations		-	(43)
NET CASH FROM FINANCING ACTIVITIES		856	477
NET DECREASE IN CASH AND CASH EQUIVALENTS		(348)	(5,325)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(36)	(244)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		18,843	27,736
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		18,459	22,167
NOTE:			
Cash and cash equivalents comprise:			
Fixed deposits with licensed bank		10,060	12,173
Short term deposits with a licensed bank		4,652	5,513
Cash and bank balances		3,747	4,481
		18,459	22,167

The unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.